

SENATE SUBSTITUTE
FOR
SENATE COMMITTEE SUBSTITUTE
FOR
HOUSE COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1731

AN ACT

To repeal sections 42.300, 161.215, and 313.835, RSMo,
and to enact in lieu thereof four new sections relating
to the use of gaming moneys, with an emergency clause.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,
AS FOLLOWS:

1 Section A. Sections 42.300, 161.215, and 313.835, RSMo, are
2 repealed and four new sections enacted in lieu thereof, to be
3 known as sections 42.300, 161.215, 161.216, and 313.835, to read
4 as follows:

5 42.300. 1. There is hereby created in the state treasury
6 the "Veterans Commission Capital Improvement Trust Fund" which
7 shall consist of money collected under section 313.835. The
8 state treasurer shall administer the veterans commission capital
9 improvement trust fund, and the moneys in such fund shall be used
10 solely, upon appropriation, by the Missouri veterans commission
11 for:

12 (1) The construction, maintenance or renovation or
13 equipment needs of veterans' homes in this state;

14 (2) The construction, maintenance, renovation, equipment

1 needs and operation of veterans' cemeteries in this state;

2 (3) Fund transfers to Missouri veterans' homes fund
3 established under the provisions of section 42.121, as necessary
4 to maintain solvency of the fund;

5 (4) Fund transfers to any municipality with a population
6 greater than four hundred thousand and located in part of a
7 county with a population greater than six hundred thousand in
8 this state which has established a fund for the sole purpose of
9 the restoration, renovation and maintenance of a memorial or
10 museum or both dedicated to World War I. Appropriations from the
11 veterans commission capital improvement trust fund to such
12 memorial fund shall be provided only as a one-time match for
13 other funds devoted to the project and shall not exceed five
14 million dollars. Additional appropriations not to exceed ten
15 million dollars total may be made from the veterans commission
16 capital improvement trust fund as a match to other funds for the
17 new construction or renovation of other facilities dedicated as
18 veterans' memorials in the state. All appropriations for
19 renovation, new construction, reconstruction, and maintenance of
20 veterans' memorials shall be made only for applications received
21 by the Missouri veterans commission prior to July 1, 2004;

22 (5) The issuance of matching fund grants for veterans'
23 service officer programs to any federally chartered veterans'
24 organization or municipal government agency that is certified by
25 the Veterans Administration to process veteran claims within the
26 Veterans Administration System; provided that such veterans'
27 organization has maintained a veterans' service officer presence
28 within the state of Missouri for the three-year period

1 immediately preceding the issuance of any such grant. A total of
2 one million five hundred thousand dollars in grants shall be made
3 available annually for service officers and joint training and
4 outreach between veterans' service organizations and the Missouri
5 veterans commission with grants being issued in July of each
6 year. Application for the matching grants shall be made through
7 and approved by the Missouri veterans commission based on the
8 requirements established by the commission;

9 (6) For payment of Missouri national guard and Missouri
10 veterans commission expenses associated with providing medals,
11 medallions and certificates in recognition of service in the
12 armed forces of the United States during World War II, the Korean
13 Conflict, and the Vietnam War under sections 42.170 to 42.226.
14 Any funds remaining from the medals, medallions and certificates
15 shall not be transferred to any other fund and shall only be
16 utilized for the awarding of future medals, medallions, and
17 certificates in recognition of service in the armed forces; [and]

18 (7) Fund transfers totaling ten million dollars to any
19 municipality with a population greater than three hundred fifty
20 thousand inhabitants and located in part in a county with a
21 population greater than six hundred thousand inhabitants and with
22 a charter form of government, for the sole purpose of the
23 construction, restoration, renovation and maintenance of a
24 memorial or museum or both dedicated to World War I; and

25 (8) The administration of the Missouri veterans commission.

26 2. Any interest which accrues to the fund shall remain in
27 the fund and shall be used in the same manner as moneys which are
28 transferred to the fund under this section. Notwithstanding the

1 provisions of section 33.080, to the contrary, moneys in the
2 veterans commission capital improvement trust fund at the end of
3 any biennium shall not be transferred to the credit of the
4 general revenue fund.

5 3. Upon request by the veterans commission, the general
6 assembly may appropriate moneys from the veterans commission
7 capital improvement trust fund to the Missouri national guard
8 trust fund to support the activities described in section 41.958.

9 4. The state auditor shall conduct an audit of all moneys
10 in the veterans commission capital improvement trust fund every
11 year beginning January 1, 2011, and ending on December 31, 2013.
12 The findings of each audit shall be distributed to the general
13 assembly, governor, and lieutenant governor no later than ten
14 business days after the completion of such audit.

15 161.215. 1. There is hereby created in the state treasury
16 the "Early Childhood Development, Education and Care Fund" [which
17 shall consist of money collected under section 313.835 and] which
18 is created to give parents meaningful choices and assistance in
19 choosing the child-care and education arrangements that are
20 appropriate for their family. All interest received on the fund
21 shall be credited to the fund. Notwithstanding the provisions of
22 section 33.080, moneys in the fund at the end of any biennium
23 shall not be transferred to the credit of the general revenue
24 fund. Any moneys deposited in such fund shall be used to support
25 programs that prepare children prior to the age in which they are
26 eligible to enroll in kindergarten under section 160.053 to enter
27 school ready to learn. All moneys deposited in the early
28 childhood development, education and care fund shall be annually

1 appropriated for voluntary, early childhood development,
2 education and care programs serving children in every region of
3 the state not yet enrolled in kindergarten. For fiscal year 2013
4 and each subsequent fiscal year, at least thirty-five million
5 dollars of the funds received from the master settlement
6 agreement, as defined in section 196.1000, shall be deposited in
7 the early childhood development, education and care fund.

8 2. No less than sixty percent of moneys deposited in the
9 early childhood development, education and care fund shall be
10 appropriated as provided in this subsection to the department of
11 elementary and secondary education and to the department of
12 social services to provide early childhood development, education
13 and care programs through competitive grants to, or contracts
14 with, governmental or private agencies. Eighty percent of such
15 moneys under the provisions of this subsection and additional
16 moneys as appropriated by the general assembly shall be
17 appropriated to the department of elementary and secondary
18 education and twenty percent of such moneys under the provisions
19 of this subsection shall be appropriated to the department of
20 social services. The departments shall provide public notice and
21 information about the grant process to potential applicants:

22 (1) Grants or contracts may be provided for:

23 (a) Start-up funds for necessary materials, supplies,
24 equipment and facilities; and

25 (b) Ongoing costs associated with the implementation of a
26 sliding parental fee schedule based on income;

27 (2) Grant and contract applications shall, at a minimum,
28 include:

1 (a) A funding plan which demonstrates funding from a
2 variety of sources including parental fees;

3 (b) A child development, education and care plan that is
4 appropriate to meet the needs of children;

5 (c) The identity of any partner agencies or contractual
6 service providers;

7 (d) Documentation of community input into program
8 development;

9 (e) Demonstration of financial and programmatic
10 accountability on an annual basis;

11 (f) Commitment to state licensure within one year of the
12 initial grant, if funding comes from the appropriation to the
13 department of elementary and secondary education and commitment
14 to compliance with the requirements of the department of social
15 services, if funding comes from the department of social
16 services; and

17 (g) With respect to applications by public schools, the
18 establishment of a parent advisory committee within each public
19 school program;

20 (3) In awarding grants and contracts under this
21 subdivision, the departments may give preference to programs
22 which:

23 (a) Are new or expanding programs which increase capacity;

24 (b) Target geographic areas of high need, namely where the
25 ratio of program slots to children under the age of six in the
26 area is less than the same ratio statewide;

27 (c) Are programs designed for special needs children;

28 (d) Are programs that offer services during nontraditional

1 hours and weekends; or

2 (e) Are programs that serve a high concentration of
3 low-income families.

4 3. No less than ten percent of moneys deposited in the
5 early childhood development, education and care fund shall be
6 appropriated to the department of social services to provide
7 early childhood development, education and care programs through
8 child development, education and care certificates to families
9 whose income does not exceed one hundred eighty-five percent of
10 the federal poverty level in the manner pursuant to 42 U.S.C.
11 Section 9858c(c) (2) (A) and 42 U.S.C. Section 9858n(2) for the
12 purpose of funding early childhood development, education and
13 care programs as approved by the department of social services.
14 At a minimum, the certificate shall be of a value per child which
15 is commensurate with the per-child payment under paragraph (b) of
16 subdivision (1) of subsection 2 of this section pertaining to the
17 grants or contracts. On February first of each year the
18 department shall certify the total amount of child development,
19 education and care certificates applied for and the unused
20 balance of the funds shall be released to be used for
21 supplementing the competitive grants and contracts program
22 authorized under subsection 2 of this section.

23 4. No less than ten percent of moneys deposited in the
24 early childhood development, education and care fund shall be
25 appropriated to the department of social services to increase
26 reimbursements to child-care facilities for low-income children
27 that are accredited by a recognized, early childhood accrediting
28 organization.

1 5. No less than ten percent of the funds deposited in the
2 early childhood development, education and care fund shall be
3 appropriated to the department of social services to provide
4 assistance to eligible parents whose family income does not
5 exceed one hundred eighty-five percent of the federal poverty
6 level who wish to care for their children under three years of
7 age in the home, to enable such parent to take advantage of early
8 childhood development, education and care programs for such
9 parent's child or children. At a minimum, the certificate shall
10 be of a value per child which is commensurate with the per-child
11 payment under paragraph (b) of subdivision (1) of subsection 2 of
12 this section pertaining to the grants or contracts. The
13 department of social services shall provide assistance to these
14 parents in the effective use of early childhood development,
15 education and care tools and methods.

16 6. In setting the value of parental certificates under
17 subsection 3 of this section and payments under subsection 5 of
18 this section, the department of social services may increase the
19 value based on the following:

20 (1) The adult caretaker of the children successfully
21 participates in the parents as teachers program under the
22 provisions of sections 178.691 to 178.699, a training program
23 provided by the department on early childhood development,
24 education and care, the home-based Head Start program as defined
25 in 42 U.S.C. Section 9832 or a similar program approved by the
26 department;

27 (2) The adult caretaker consents to and clears a child
28 abuse or neglect screening under subdivision (1) of subsection 2

1 of section 210.152; and

2 (3) The degree of economic need of the family.

3 7. The department of elementary and secondary education and
4 the department of social services each shall by rule promulgated
5 under chapter 536 establish guidelines for the implementation of
6 the early childhood development, education and care programs as
7 provided in subsections 2 to 6 of this section.

8 8. The state auditor shall conduct an audit of all moneys
9 in the early childhood development, education and care fund
10 created in subsection 1 of this section every year beginning
11 January 1, 2011, and ending on December 31, 2013. The findings
12 of each audit shall be distributed to the general assembly no
13 later than ten business days after the completion of such audit.

14 9. Any rule or portion of a rule, as that term is defined
15 in section 536.010, that is created under the authority delegated
16 in this section shall become effective only if it complies with
17 and is subject to all of the provisions of chapter 536 and if
18 applicable, section 536.028. This section and chapter 536 are
19 nonseverable and if any of the powers vested with the general
20 assembly under chapter 536 to review, to delay the effective
21 date, or to disapprove and annul a rule are subsequently held
22 unconstitutional, then the grant of rulemaking authority and any
23 rule proposed or adopted after August 28, 2010, shall be invalid
24 and void.

25 161.216. 1. No public institution of higher education,
26 political subdivision, governmental entity, or quasi-governmental
27 entity receiving state funds shall operate, establish, or
28 maintain, offer incentives to participate in, or mandate

1 participation in a quality rating system for early childhood
2 education, a training quality assurance system, any successor
3 system, or any substantially similar system for early childhood
4 education, unless the authority to operate, establish, or
5 maintain such a system is enacted into law through:

6 (1) A bill as prescribed by article III of the Missouri
7 Constitution;

8 (2) An initiative petition as prescribed by section 50 of
9 article III of the Missouri Constitution; or

10 (3) A referendum as prescribed by section 52(a) of article
11 III of the Missouri Constitution.

12 2. No public institution of higher education, political
13 subdivision, governmental entity or quasi-governmental entity
14 receiving state funds shall promulgate any rule or establish any
15 program, policy, guideline, or plan or change any rule, program,
16 policy, guideline, or plan to operate, establish, or maintain a
17 quality rating system for early childhood education, a training
18 quality assurance system, any successor system, or any
19 substantially similar system for early childhood education unless
20 such public institution of higher education, political
21 subdivision, governmental entity or quasi-governmental entity
22 receiving state funds has received statutory authority to do so
23 in a manner consistent with subsection 1 of this section.

24 3. Any taxpayer of this state or any member of the general
25 assembly shall have standing to bring suit against any public
26 institution of higher education, political subdivision,
27 governmental entity or quasi-governmental entity which is in
28 violation of this section in any court with jurisdiction to

1 enforce the provisions of this section.

2 4. For purposes of this section:

3 (1) "Early childhood education" shall mean education
4 programs that are both centered and home-based and providing
5 services for children from birth to kindergarten;

6 (2) "Quality rating system" shall include the model from
7 the Missouri quality rating system pilots developed by the
8 University of Missouri Center for Family Policy and Research, any
9 successor model, or substantially similar model. "Quality rating
10 system" shall also include but not be limited to a tiered rating
11 system that provides a number of tiers or levels to set
12 benchmarks for quality that build upon each other, leading to a
13 top tier that includes program accreditation. "Quality rating
14 system" may also include a tiered reimbursement system that may
15 be tied to a tiered rating system;

16 (3) "Tiered reimbursement system" shall include but not be
17 limited to a system that links funding to a quality rating
18 system, a system to award higher child care subsidy payments to
19 programs that attain higher quality levels, or a system that
20 offers other incentives through tax policy or professional
21 development opportunities for childcare providers.

22 313.835. All revenue received by the commission from
23 license fees, penalties, administrative fees, reimbursement by
24 any excursion gambling boat operators for services provided by
25 the commission and admission fees authorized pursuant to the
26 provisions of sections 313.800 to 313.850, except that portion of
27 the admission fee, not to exceed one cent, that may be
28 appropriated to the compulsive gamblers fund as provided in

1 section 313.820, shall be deposited in the state treasury to the
2 credit of the "Gaming Commission Fund" which is hereby created
3 for the sole purpose of funding the administrative costs of the
4 commission, subject to appropriation. Moneys deposited into this
5 fund shall not be considered proceeds of gambling operations.
6 Moneys deposited into the gaming commission fund shall be
7 considered state funds pursuant to article IV, section 15 of the
8 Missouri Constitution. All interest received on the gaming
9 commission fund shall be credited to the gaming commission fund.
10 In each fiscal year, total revenues to the gaming commission fund
11 for the preceding fiscal year shall be compared to total
12 expenditures and transfers from the gaming commission fund for
13 the preceding fiscal year. The remaining net proceeds in the
14 gaming commission fund shall be distributed in the following
15 manner:

16 (1) The first five hundred thousand dollars shall be
17 appropriated on a per capita basis to cities and counties that
18 match the state portion and have demonstrated a need for funding
19 community neighborhood organization programs for the homeless and
20 to deter gang-related violence and crimes;

21 (2) The remaining net proceeds in the gaming commission
22 fund for fiscal year ~~[1999]~~ 2013 and each fiscal year thereafter
23 shall be distributed as follows:

24 (a) The first ~~[four and one-half]~~ five million dollar
25 portion shall be transferred to the access Missouri financial
26 assistance fund, established pursuant to the provisions of
27 sections 173.1101 to 173.1107, and additional moneys as annually
28 appropriated by the general assembly shall be appropriated to

1 such fund;

2 (b) The second three million dollar portion shall be
3 transferred to the veterans' commission capital improvement trust
4 fund created in section 42.300;

5 (c) The third ~~three~~ four million dollar portion shall be
6 transferred to the Missouri national guard trust fund created in
7 section 41.214, and additional moneys as appropriated by the
8 general assembly may be appropriated to such fund, up to one
9 million five hundred thousand dollars annually;

10 (d) Subject to appropriations, one hundred percent of
11 remaining net proceeds in the gaming commission fund ~~[except as~~
12 ~~provided in paragraphs (e) and (f) of this subdivision, and],~~
13 after the appropriations are made pursuant to the provisions of
14 paragraphs (a), (b), and (c) of this subdivision, shall be
15 transferred to the ~~[early childhood development, education and~~
16 ~~care fund created in section 161.215;~~

17 (e) When the remaining net proceeds, as such term is used
18 pursuant to paragraph (d) of this subdivision, in the gaming
19 commission fund annually exceeds twenty-eight million dollars:
20 one-half million dollars of such proceeds shall be transferred
21 annually, subject to appropriation, to the access Missouri
22 financial assistance fund, established pursuant to the provisions
23 of sections 173.1101 to 173.1107; three million dollars of such
24 proceeds shall be transferred annually, subject to appropriation,
25 to the veterans' commission capital improvement trust fund; and
26 one million dollars of such proceeds shall be transferred
27 annually, subject to appropriation, to the Missouri national
28 guard trust fund created in section 41.214;

1 (f) Beginning in fiscal year 2011 and each fiscal year
2 thereafter when the funding for early childhood education under
3 paragraph (d) of this subdivision equals the funding level for
4 early childhood education under paragraph (d) of this subdivision
5 in fiscal year 2009, one-half of the next one million two hundred
6 thousand dollars of such proceeds shall be transferred annually,
7 subject to appropriation, to the veterans commission capital
8 improvement trust fund for the purpose of funding veterans'
9 service officer programs identified under subdivision (5) of
10 subsection 1 of section 42.300, and the other half of the one
11 million two hundred thousand dollars shall be transferred
12 annually, subject to appropriation, to the early childhood
13 development, education and care fund created in section 161.215]
14 veterans' commission capital improvement trust fund created in
15 section 42.300.

16 Section B. Because of the need to supply funding for
17 veterans programs in the state, section A of this act is deemed
18 necessary for the immediate preservation of the public health,
19 welfare, peace and safety, and is hereby declared to be an
20 emergency act within the meaning of the constitution, and section
21 A of this act shall be in full force and effect upon its passage
22 and approval.